

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



PuraPharm

PURAPHARM CORPORATION LIMITED

培力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1498)

**RE-DESIGNATION OF DIRECTORS; AND
GRANT OF AWARD SHARES PURSUANT TO
THE SHARE AWARD SCHEME**

The board (the “**Board**”) of directors (the “**Directors**”) of PuraPharm Corporation Limited (the “**Company**”) is pleased to announce that with effect from 1 September 2020, Mr. Cheong Shin Keong (“**Mr. Cheong**”) will be re-designed from a non-executive Director to an executive Director and Mr. Chan Kin Man Eddie (“**Mr. Eddie Chan**”) will be re-designed from an executive Director to a non-executive Director.

Re-designation of Mr. Cheong as an executive Director

The biographical details of Mr. Cheong are as follows:

Mr. Cheong, aged 64, was appointed as a non-executive Director on 24 March 2020. Mr. Cheong is an independent non-executive director of Bossini International Holdings Limited (stock code: 592), a company listed on the Main Board of the Stock Exchange since September 2017, and from January 2015 to December 2019 was an executive director of Television Broadcasts Limited (stock code: 511), a company listed on the Main Board of the Stock Exchange. Mr. Cheong joined Television Broadcasts Limited as controller, marketing and sales in March 1989 and assumed the duties of general manager in April 2004. Mr. Cheong has extensive experience in the advertising and marketing industry and contributes actively to the professional development of marketing in Hong Kong through leading marketing industry bodies. He is a Fellow and a Deputy Chairman of the Hong Kong Management Association as well as a Fellow and the former president of the Hong Kong Regional Board of the Chartered Institute of Marketing.

As at the date of this announcement, Mr. Cheong is beneficially interested in 3,480,000 shares which may fall to be issued upon exercise of the 3,480,000 options granted to him under the share option scheme (the “**Share Option Scheme**”) of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Cheong has entered into a service contract with the Company on 25 August 2020 for a term of 3 years commencing from 1 September 2020. Under the aforementioned service contract, Mr. Cheong will be entitled to a directors’ fee of HKD2.4 million per annum, granting of 1,000,000 Awarded Shares (as defined below) under the Scheme (as defined below), granting of further options under the Share Option Scheme to be determined by the Board and a discretionary bonus, which is determined by the Board from time to time with reference to his performance and the performance of the Company and its subsidiaries. The remuneration package of Mr. Cheong is recommended by the remuneration committee of the Company with reference to his experience, duties and responsibilities to the Company and the prevailing market conditions and determined by the Board. He will be subject to retirement by rotation and re-election pursuant to the articles of association of the Company.

Save as disclosed above, Mr. Cheong (i) does not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong and overseas in the last three years or other major appointments and professional qualifications; and (ii) does not have any relationships with any members of the Board, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Re-designation of Mr. Eddie Chan as a non-executive Director

The biographical details of Mr. Eddie Chan are as follows:

Mr. Eddie Chan, aged 59, was appointed as an executive Director on 15 November 2017. Mr. Eddie Chan has over 30 years of extensive experience in professional accounting and taxation services. He is the founder and senior partner in CWCC CPA Limited, an accounting firm, to oversee the divisions of tax, corporate secretarial and China business advisory services. Mr. Eddie Chan was accredited as a Certified Public Accountant (practising) and a fellow member by the Hong Kong Institute of Certified Public Accountants in January 1990 and July 1993 respectively, a fellow member of the Association of Chartered Certified Accountants in January 2001 and a fellow member of The Institute of Chartered Accountants in England and Wales in December 2017. He received a higher diploma in accountancy from the Hong Kong Polytechnic University.

As at the date of this announcement, Mr. Eddie Chan is interested in 6,193,750 shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance, among which (i) 19,000 shares are beneficially owned by Mr. Eddie Chan, (ii) 3,825,000 shares are the interest in shares which may fall to be issued under the options beneficially held by Mr. Eddie Chan under the Share Option Scheme established by the Company, (iii) 6,000 shares are shares awarded to but not yet vested on him under the share award scheme established by the Company, and (iv) 2,343,750 shares are held by K.M. Chan & Co. Limited, a company wholly-owned by Mr. Eddie Chan.

Mr. Eddie Chan has entered into an appointment letter with the Company on 25 August 2020, pursuant to which he has been re-designated from an executive Director to non-executive Director for a term of three years commencing from 1 September 2020. Under the aforementioned appointment letter, Mr. Eddie Chan will be entitled to a directors' fee of 200,000 per annum, which is determined by the Board from time to time with reference to his performance and the performance of the Company and its subsidiaries. The remuneration package of Mr. Eddie Chan is recommended by the remuneration committee of the Company with reference to his experience, duties and responsibilities to the Company and the prevailing market conditions and determined by the Board. He will be subject to retirement by rotation and re-election pursuant to the articles of association of the Company.

Save as disclosed above, Mr. Eddie Chan (i) does not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong and overseas in the last three years or other major appointments and professional qualifications; and (ii) does not have any relationships with any members of the Board, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

Save as disclosed above, there are no other matters relating to the re-designation of Mr. Cheong and Mr. Eddie Chan that need to be brought to the attention of the shareholders of the Company or the Stock Exchange and there are no other matters which shall be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

GRANT OF AWARD SHARES PURSUANT TO THE SHARE AWARD SCHEME

Reference is made to the announcement of Company dated 22 February 2016 in relation to the adoption of the Share Award Scheme (the “Scheme”).

On 25 August 2020, the Board resolved to grant a total of 1,000,000 Shares (the “**Awarded Shares**”) to Mr. Cheong, who is an eligible participant pursuant to the Scheme as at the date of this announcement. Out of the entire number of the Awarded Shares, 333,333 Award Shares will be vested on 1 January 2021, and the rest of 666,667 Awarded Shares will be vested in eight equal monthly instalments on the first day of every month from 1 February 2021, provided that the Mr. Cheong remains to be an executive Director on each of the vesting dates.

The award of the Awarded Shares to Mr. Cheong forms part of his remuneration packages as an executive Director and is exempt from the reporting, announcement and independent shareholders’ approval requirements under the Listing Rules. Based on the closing price of HK\$0.7 per share on the date of the grant of the Awarded Shares, the market value of the 1,000,000 Awarded Shares in aggregate is HK\$700,000. Pursuant to the rules of the Scheme, the Awarded Shares have been granted to Mr. Cheong for nil consideration. The Awarded Shares have been purchased and are held by the trustee of the Scheme in accordance with the rules of the Scheme and subject to the terms of the trust deed of the Scheme. The grant of the Awarded Shares to Mr. Cheong has been approved by the independent non-executive Directors.

By order of the Board
PuraPharm Corporation Limited
Chan Yu Ling, Abraham
Chairman

Hong Kong, 25 August 2020

As at the date of this announcement, the executive directors of the Company are Mr. Chan Yu Ling, Abraham, Dr. Tsoi Kam Biu, Alvin, Mr. Chan Kin Man, Eddie, and Ms. Man Yee Wai, Viola; non-executive directors of the Company are Mr. Chow, Stanley and Mr. Cheong Shin Keong; and the independent non-executive directors of the Company are Dr. Chan Kin Keung, Eugene, Mr. Ho Kwok Wah, George, Dr. Leung Lim Kin, Simon and Prof. Tsui Lap Chee.